

# Webinar 1: Intro to the Informal Economy



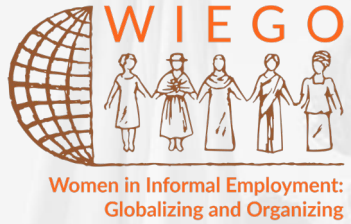
This webinar was held on March 31, 2021 and introduced the informal economy and the vast array of workers that are part of the informal economy.

**Pamhidzai Bamu** analyzed the different employment statuses and occupational groupings that form part of the 'informal economy.'

**Marlese von Broembsen** discussed ILO Recommendation 204 concerning the Transition from the Informal to the Formal Economy.

**Jacqueline Wamai** discussed how lawyers, informal economy worker organizations, and unions have used creative legal strategies and advocacy to challenge existing legal frameworks that exclude informal workers from such rights and protections.

Moderated by **Monika Mehta**, ILAW Network



# DEFINING AND REGULATING THE INFORMAL ECONOMY

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# OVERVIEW

- WIEGO IN BRIEF
- LABOUR LAW AND ITS SCOPE
- DEFINING THE INFORMAL ECONOMY
- DIFFERENT OCCUPATIONAL GROUPS, DIFFERENT EMPLOYMENT STATUSES
- CHALLENGES OF REGULATING WAGED WORKERS
- CHALLENGES OF REGULATING SELF-EMPLOYED WORKERS
- LEGAL STRATEGIES TO SUPPORT INFORMAL WORKERS

# WIEGO: A global action-research-policy & membership network

- **Goal and objectives:** to improve status of working poor, especially women, in the informal economy by increasing  
Voice + Visibility + Validity ► enabling environment
- **3 Constituencies:** organizations of informal workers + researchers & statisticians + development professionals
- **4 Key sectors:** domestic workers + home-based workers + street vendors + waste pickers
- **5 Core programmes:** Organization-Representation + Statistics + Law + Social Protection + Urban Policies
- **4 Core functions:** networking/capacity building (organizations of informal workers) + statistics/research + good practice documentation + policy analysis & dialogues
- **Defining feature:** bridging ground reality of working poor & mainstream disciplines and discourses

# Scope of labour law



# Standard v non-standard employment

Standard Employment		Non-standard Employment
Permanent	1	Temporary <ul style="list-style-type: none"><li>• Fixed term contract (time)</li><li>• Casual (paid by the piece )</li></ul>
Full-time	2	Part time (<35 hours per week)
Direct supervision on employers' premises	3	Off premises: subcontracted outwork, homework
Bilateral relationship between employer and employee	4	Engaged through intermediary <ul style="list-style-type: none"><li>• Labour broker (fixed term contract)</li><li>• Homeworkers</li></ul>

# The informal economy



- Informality: relates to anything not covered by law or formal arrangements
- Informal economy: work and economic activity that are not covered by law, whether in law or in fact
- Informal economy = informal sector + informal jobs
- 61 per cent of global labour force is informal

# The informal economy

## Informal sector

- People who own and operate informal economic units, including own-account workers,
- employers (only 3 per cent)
- members of cooperatives and social/solidarity units
- Unpaid family workers
- E.g. street vendors, some waste pickers
- Accounts for most informal work in Africa, Latin America, South Asia

## Informal jobs

- Waged workers holding informal jobs in formal and informal enterprises
- Non-standard work, e.g. casual, fixed-term, part-time, multilateral arrangements
- Workers in unregulated/unrecognized employment relationships
- e.g. home workers, platform workers
- Accounts for most informal work in global North and South East Asia

# Domestic workers



# Domestic workers

- Regulated at national level
  - Waged workers, in the employer's household: full-time or part-time
  - Labour law excludes domestic worker, private home or part-time work from its scope
  - Agency or app: disguised employment
  - No self-recognition, societal recognition as worker
  - Or employers do not follow, government does not enforce

# Street vendors

- Mostly own account traders
- Work on public space: markets, pavements, roadside
- Recognition and rights at national level, but punitive local laws
- Labour law excludes own account vendors
- Assistants denied labour protections in practice



# Waste pickers

- Collect recyclables: plastics, metals, paper, etc.
- Promote public health and protect the environment
- Own account, cooperatives, waged workers
- Subject to local authorities' waste management and other regulations
- No self-recognition or societal recognition as workers

# Waste pickers



# Home workers

- Work in own homes
- Subcontracted to produce for local or global value chains
- Layers of intermediaries, no contract with the brand
- Disguised employment: self-employed and intermediation
- Regulation of global value chains



# Challenges for waged workers

- Worker that has a notional employer
- Legal recognition and social recognition, self-recognition as workers/employees: reference to 'house help' etc. (if they don't recognize themselves as workers, that is a barrier to organizing)
- Home worker: who is the employer?
- Working time, overtime, paid time off
- Minimum wages
- Occupational health and safety
- Social protection: unemployment insurance, pensions, workers' compensation
- Barriers to organizing, collective bargaining, social dialogue

# Domestic workers



# Challenges for own account workers

- ❑ Workers who have no notional employer street vendors and waste pickers (64 per cent of informal workers)
- ❑ Self-recognition and social recognition as workers: scavengers, in between
- ❑ Working time, overtime, paid time off
- ❑ Minimum wages
- ❑ Occupational health and safety
- ❑ Social protection: unemployment insurance, pensions, workers' compensation
- ❑ Organizing, collective bargaining, social dialogue
- ❑ Street vendors
- ❑ Waste pickers

# Own account workers



# Legal strategies to support informal workers

- Influencing mainstream disciplines and discourses
- Research and analysis: legal gaps
- Pushing the boundaries of labour law
- Exposing lawyers to informal workers and their realities and challenges: exposure dialogue programme
- Building relationships with lawyers to support workers

# Exposure dialogue programme – Dakar, Senegal, 2019



# Bottom-up approaches

- Working from workers' grounded reality
- Law and struggle are intertwined: work with organizations
- Developing worker-friendly materials and training workers
- Empowering workers to know and exercise their rights
- Supporting workers to develop and present demands for legal reform and practical measures to improve working conditions: negotiation skills
- Bringing home the victories: ILO Recommendation 204

# “Know the law workshop”: Accra, Ghana, 2020

